# BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA PM

Order Instituting Rulemaking to Oversee the Resource Adequacy Program, Consider Program Refinements, and Establish Forward Resource Adequacy Procurement Obligations.

Rulemaking 19-11-009

# ASSIGNED COMMISSIONER'S RULING ON SUBMISSION OF REFRESHED EFFECTIVE LOAD CARRYING CAPABILITY STUDY RESULTS

This ruling provides guidance for submission of refreshed effective load carrying capability study results, as proposed by the California Independent System Operator, Pacific Gas and Electric Company, and Southern California Edison.

## 1. Background

In comments submitted in this proceeding,¹ Pacific Gas and Electric Company (PG&E), Southern California Edison (SCE), and the California Independent System Operator (CAISO) proposed to refresh the effective load carrying capability (ELCC) study results prepared by Energy + Environmental Economics (E3) using data from 2020 for investor-owned utility (IOU) demand response (DR) programs to determine the qualifying capacity (QC) of IOU DR resources for the 2022 compliance year. CAISO committed that it will make a Federal Energy Regulatory Commission (FERC) filing to exempt IOU DR programs from the Resource Adequacy Availability Incentive Mechanism

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(RAAIM) based on the proposed interim ELCC methodology for 2022.<sup>2</sup> PG&E stated that the ELCC refresh results are expected to be completed by the end of June 2021.<sup>3</sup>

A proposed decision in this proceeding, dated May 21, 2021, stated that there was insufficient basis to adopt the ELCC methodology or the proposed ELCC study with refreshed results at this time. The proposed decision stated that when the refreshed ELCC study is complete, the study results may be submitted into the Resource Adequacy (RA) proceeding and the Commission will consider the results. The Commission cannot consider adoption of the refreshed ELCC study results, however, unless CAISO and the IOUs update and submit the results, and there is sufficient opportunity for the Commission to evaluate the results.

#### 2. Discussion

To finalize the QC values by early September (in advance of the mid-September final RA allocations), practicable utilization of any refreshed study results for the 2022 compliance year requires that a compliant filing of the results be submitted to the Commission no later than July 1, 2021.

If the CAISO and the IOUs complete the refreshed ELCC study results, the study results should be served via the service list in this proceeding. Parties should be given an opportunity to participate in a workshop on the study results and to provide written comments on the study results. CAISO and the IOUs

<sup>&</sup>lt;sup>1</sup> SCE Comments on DR Proposal, April 29, 2021, at 4; PG&E Comments on DR Proposal, April 29, 2021, at 3; CAISO Comments on DR Proposal, April 29, 2021, at 6.

<sup>&</sup>lt;sup>2</sup> CAISO Comments on DR Proposal, April 29, 2021, at 1.

<sup>&</sup>lt;sup>3</sup> PG&E Comments on DR Proposal, April 29, 2021, at 3.

should then submit a report to the Commission with a summary of the workshop and parties' comments (as well as attached parties' comments).

As such, a compliant filing or submission to the Commission shall include the following:

- (1) Refreshed study results based upon 2020 bid data from PG&E, SCE, as well as from San Diego Gas & Electric Company (SDG&E);
- (2) Thorough documentation of study methodology and assumptions, and explanation of how data from Load Impact Protocol (LIP) filings, if any, were utilized in or informed the study, as well as updated runs of the study (as needed);
- (3) To facilitate expedited party analysis and input, a summary of the key differences between LIP inputs and calculations versus the proposed ELCC method;
- (4) A workshop report that summarizes parties' comments on the study methodology and results and attaches parties' comments. CAISO and/or an IOU shall provide parties (via the service list in this proceeding): (1) a minimum 7 days' notice of any workshop, and (2) a minimum of 10 days' notice to provide written comments to CAISO and the IOUs on the study results. Any workshop or related stakeholder process shall be run by CAISO and/or the IOUs in consultation with Energy Division.

If a compliant filing is submitted or filed with the Commission by July 1, 2021, the Commission will consider the study results. Consideration of the study results is subject to the following conditions: (1) the ELCC-determined QC would only be applicable for the 2022 compliance year, and would only apply to IOU DR programs (not to third-party DR); (2) potential adoption for 2022 does not indicate Commission preference for ELCC or any other QC methodology; and (3) adoption of any ELCC-determined QC for 2022 must occur

in early September 2021 to allow sufficient time for final RA allocations in mid-September 2021.

The compliant filing may be filed in this proceeding or submitted via an IOU Tier 3 Advice Letter.

### **IT IS RULED** that:

- 1. The California Independent System Operator and the investor-owned utilities may submit a compliant filing of the refreshed effective load carrying capability study results, as outlined above in Section 2.
  - 2. The compliant filing shall be submitted or filed no later than July 1, 2021.
- 3. The compliant filing may be filed and served into this proceeding or submitted via an investor-owned utility Tier 3 Advice Letter.

Dated June 3, 2021, at San Francisco, California.

/s/ MARYBEL BATJER

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Assigned Commissioner